



Signed and Filed: December 11, 2020

*Dennis Montali*

DENNIS MONTALI  
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re: ) Bankruptcy Case  
PG&E CORPORATION, ) No. 19-30088-DM  
- and - ) Chapter 11  
PACIFIC GAS AND ELECTRIC COMPANY, ) Jointly Administered  
Reorganized Debtors. ) Date: December 15, 2020  
Time: 10:00 AM (PST)  
Via Zoom Webinar  
☐ Affects PG&E Corporation )  
☐ Affects Pacific Gas and )  
Electric Company )  
☒ Affects both Debtors )  
\* All papers shall be filed in )  
the Lead Case, No. 19-30088 (DM). )

**ORDER REGARDING DECEMBER 15, 2020, HEARING**  
**ON SECTION 503 MOTION**

Each side will have thirty minutes for oral argument, including time for the counsel for the Securities Lead Plaintiffs to reserve for rebuttal. The court has carefully studied the briefs and related filings. Counsel are asked to include time to address the following issues:

1           1.     Can claimants recover anything under section 503(b)  
2 before the court has determined that any of the 7,000 Securities  
3 Fraud claimants are entitled to anything from Debtors?

4           2.     Reorganized Debtors repeatedly argue that the court  
5 should consider "benefit to the estate as a whole" although  
6 those words are not in section 503. The key phrase appears to  
7 be "substantial contribution in a case." Isn't that the proper  
8 test?

9           3.     How does the outcome of the district court action  
10 against officers, directors and other non-debtors have any  
11 relevance to whether Plaintiffs can recover anything from the  
12 Reorganized Debtors for substantial contribution to their cases?

13           4.     Reported cases that focus of the interests of  
14 creditors in analyzing Section 503 recoveries do not appear to  
15 be solvent estates, and that section specifically permits  
16 recovery by equity security holders. There is not much  
17 difference between a claim subordinated to all other creditors  
18 under section 510(b) and traditional equity holders,  
19 particularly in a solvent estate.

20                   \*\*\* END OF ORDER\*\*\*